

Message Text

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16

ACTION EB-07

INFO OCT-01 EA-07 ISO-00 AGR-05 CIAE-00 COME-00 INR-07

LAB-04 NSAE-00 SP-02 STR-04 TRSE-00 CIEP-01 FRB-03

OMB-01 L-03 SS-15 NSC-05 SIL-01 DOTE-00 FMC-01 /067 W

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R 130929Z JAN 76

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 1142

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PASS USDA/FAS/K. STEPHENS/CEP AND D WILLIAMS/COT DIV/FMD
FOR STATE/ANGEVINE/F&TD

E.O. 11652: N/A

TAGS: EAGR

SUBJECT: COTTON CONTRACT PROBLEM

1. THE ASST. AGATTACHE ATTENDED THE REGULARLY SCHEDULED MONDAY MONTHLY MEETING OF THE PHILIPPINE ASSOCIATION OF COTTON TRADERS (PACT), JAN. 12. IN THE COURSE OF THE MEETING HE WAS ASKED TO COMMENT ON WHAT THE U.S. GOVERNMENT'S REACTION WOULD BE IF YUPANGCO AND UNITED ASIA INITIATED L/C'S TO IMPORT ALL THEIR OVERDUE COTTON AND THE SUPPLIERS REFUSED TO SHIP THE COTTON. THE PURPOSE OF SOLICITING SUCH COMMENT OF COURSE, TO FEEL OUT THE U.S. GOVERNMENT'S POSITION IN VIEW OF THE CURRENT HIGH PRICES FOR COTTON AS THEY RELATED TO THE 6,690 BALES AT PRICES OF 58 CENTS TO 58.55 CENTS. THE REPLY GIVEN WAS THAT THE BASIS FOR USG INVOLVEMENT IN THE CONTRACT DISPUTE IN THE FIRST PLACE WAS A STRONG BELIEF IN THE SANCTITY OF CONTRACTS AND THAT TIME AND SPOT PRICE DO NOT ALTER THAT BASIC PRINCIPLE.

2. IN A PRIVATE DISCUSSION DURING THE MEETING THE AGENT FOR PAN AMERICAN REPORTED THAT HE HAD CABLED HANS BOHLMAN THAT UNITED ASIA WAS REBUILDING AND WOULD SOON BE OPERATIONAL. HE ALSO SAID THAT HE HAD RECENTLY HEARD THAT UNITED ASIA WAS ALREADY BUYING
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COTTON FROM OTHER MILLS BUT HE HAD NOT YET PASSED THIS INFORMA-

TION TO HANS.
SULLIVAN

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COTTON, IMPORTS, CONTRACTS
Control Number: n/a
Copy: SINGLE
Draft Date: 13 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
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Executive Order: N/A
Errors: N/A
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Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
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Review Comment: n/a
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Margaret P. Grafeld
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04 MAY 2006

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TAGS: EAGR, RP, (VIRATA, LEONIDES)
To: STATE
Type: TE
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